


COUNTY OF YORK

MEMORANDUM

DATE: April 20, 2006 (BOS Mtg. 5/2/06)

TO: York County Board of Supervisors

FROM: James O. McReynolds, County Administrator 

SUBJECT: First Amendment to York River Commerce Park Infrastructure Extension Agreement

In December, 1997, an agreement for the infrastructure in the York River Commerce Park was entered into by the County of York, the Economic Development Authority, and Virginia Electric and Power Company. The agreement was for the reimbursement to the County for its infrastructure investment in the York River Commerce Park. This investment was in conjunction with the construction of the shell building that required road, sewer, and stormwater improvements to the property owned by Virginia Power. The Economic Development Authority, utilizing funds provided by the County, invested \$935,629 in the infrastructure. At that time the estimated total number of developable acres in the park was 90. The agreement executed with Virginia Power stipulated that it would repay the County on a pro-rata basis as acreage was sold in the park. Based on these calculations, the payment is \$10,396 per acre. There have been three sales in the York River Commerce Park, and the County has been paid down to \$791,957.

In recent years Virginia Power has determined it will be unable to sell the property in the park that is being utilized for fly ash disposal. Additionally, changes in environmental regulations have reduced the amount of developable acreage due to wetlands. As a result of this and the land sales, the amount of developable acreage in the park is now 38.2 acres. Therefore, the amount that Virginia Power should reimburse the County on a pro-rata basis for land sales should be increased to \$20,731 per acre. The attached resolution will adjust the agreement to reflect the proper pro-rata reimbursement formula. The Economic Development Authority approved this amendment at its Regular Meeting on April 19, 2006. Virginia Power has approved this modification as well.

I recommend the adoption of proposed Resolution R06-64 that will authorize the execution of the First Amendment to the Infrastructure Extension Agreement for York River Commerce Park.

JOM:dlg
Attachments